

“The Strange Life of Low-tech America” *The Economist* 10-17-1998

1. According to the article, what are some low-tech products that remain produced in the United States?
2. What business is the second largest employer in Los Angeles? What has helped to renew this industry?
3. What is the average hourly wage plus fringe benefits in the manufacturing sector in the United States? What can explain much of the pay gap between the United States and developing countries?
4. How do transportation costs help keep low-tech production in the United States? Trade barriers? Taste bias toward locally produced goods?

5. What makes proximity (being close) to the market important? How does difficulty transferring skills matter?

6. How might low-tech industries be able to adjust to keep their costs low despite a high expense of labor? How can U.S. firms remain one step ahead of low-cost competitors?

7. In what key sector are U.S. firms still protected from cheaper Canadian producers despite NAFTA?

8. OPTIONAL BONUS POINT: Provide current evidence of a low-tech good still produced in the United States, such as a quote with source (URL or copy of page from company document), photo or scan of “Made in USA” label on package, etc.